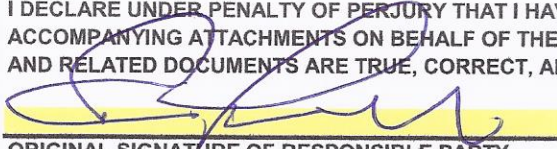


Raymond A. Yancey, Receiver for The Truland Group
Monthly Operating Report for October 2014

Case Name: The Truland Group Date Appointed: 9/9/2014
Case Number: 14-CV-1187 SIC Code:

I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THIS BASIC MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS ON BEHALF OF THE RECEIVER AND, TO THE BEST OF MY KNOWLEDGE, THIS REPORT AND RELATED DOCUMENTS ARE TRUE, CORRECT, AND COMPLETE.


ORIGINAL SIGNATURE OF RESPONSIBLE PARTY

11-20-2014
DATE REPORT SIGNED

Raymond A. Yancey, Receiver

QUESTIONNAIRE:

		YES	NO	N/A
1	DID YOU SELL ANY ASSETS OTHER THAN INVENTORY THIS MONTH?	X		
2	HAVE YOU PAID ANY BILLS YOU OWED BEFORE YOU FILED?			X
3	DID YOU PAY ANYTHING TO YOUR ATTORNEY OR OTHER PROFESSIONALS THIS MONTH?	X		
4	DID YOU PAY ALL OF YOUR BILLS ON TIME THIS MONTH?	X		
5	DID YOU PAY YOUR EMPLOYEES ON TIME?			X
6	HAVE YOU FILED ALL OF YOUR RETURNS AND PAID ALL OF YOUR TAXES THIS MONTH?	X		
7	DID YOU PAY ALL OF YOUR INSURANCE PREMIUMS THIS MONTH?	X		
8	DID ANY INSURANCE COMPANY CANCEL OR CHANGE YOUR POLICY THIS MONTH?		X	
9	HAVE YOU BORROWED MONEY FROM ANYONE THIS MONTH?		X	
10	DID YOU HAVE ANY UNUSUAL OR SIGNIFICANT UNANTICIPATED EXPENSES THIS MONTH?		X	
11	DID THE BUSINESS SELL ANY GOODS OR PROVIDE SERVICES TO ANY BUSINESS RELATED TO THE DIP IN ANY WAY?		X	
12	DO YOU PLAN TO CONTINUE TO OPERATE THE BUSINESS NEXT MONTH?	X		

INCOME

PLEASE SEPARATELY LIST ALL OF THE INCOME YOU RECEIVED FOR THE MONTH. THE LIST SHOULD INCLUDE ALL INCOME FROM CASH AND CREDIT CARD TRANSACTIONS. (If you use an automated accounting system, please attach a copy of the Income Statement and Balance Sheet.)

(EXHIBIT B) **TOTAL INCOME** \$ 125,697.68

EXPENSES

PLEASE SEPARATELY LIST ALL EXPENSES PAID BY CASH OR BY CHECK FROM YOUR BANK ACCOUNTS PAID THIS MONTH. INCLUDE THE DATE PAID, WHO WAS PAID THE MONEY, THE PURPOSE AND THE AMOUNT.

(EXHIBIT C) **TOTAL EXPENSES** \$ 277,992.52

CASH PROFIT

TOTAL INCOME LESS TOTAL EXPENSES (EXHIBIT B MINUS EXHIBIT C) **CASH PROFIT** \$ (152,294.84)

UNPAID BILLS

PLEASE ATTACH A LIST OF ALL DEBTS (INCLUDING TAXES) WHICH YOU HAVE INCURRED SINCE THE APPOINTMENT DATE BUT HAVE NOT PAID. THE LIST MUST INCLUDE THE DATE THE DEBT WAS INCURRED, WHO IS OWED THE MONEY, THE PURPOSE OF THE DEBT, AND WHEN THE DEBT IS DUE.

(EXHIBIT D) **TOTAL PAYABLES** \$ 234,252.26

MONEY OWED TO YOU

PLEASE ATTACH A LIST OF ALL AMOUNTS OWED TO YOU BY YOUR CUSTOMERS FOR WORK YOU HAVE DONE OR THE MERCHANDISE YOU HAVE SOLD. YOU SHOULD INCLUDE WHO OWES YOU MONEY, HOW MUCH IS OWED, AND WHEN IT IS DUE.

(EXHIBIT E) **TOTAL RECEIVABLES** \$ 780.00

BANKING INFORMATION

PLEASE ATTACH A COPY OF YOUR LATEST BANK STATEMENT FOR EVERY ACCOUNT YOU HAVE AS OF THE DATE OF THIS FINANCIAL REPORT.

EMPLOYEES

NUMBER OF EMPLOYEES WHEN THE CASE WAS FILED? 0

NUMBER OF EMPLOYEES AS OF THE DATE OF THIS MONTHLY REPORT? 0

PROFESSIONAL FEES*

TOTAL PROFESSIONAL FEES APPROVED BY BMO DURING THIS PERIOD? 110474.36

TOTAL PROFESSIONAL FEES APPROVED BY BMO SINCE THE FILING OF THE CASE? 110474.36

TOTAL PROFESSIONAL FEES INCURRED BY OR ON BEHALF OF THE RECEIVER DURING THE REPORTING PERIOD? 202147.92

TOTAL PROFESSIONAL FEES INCURRED BY OR ON BEHALF OF THE RECEIVER SINCE THE FILING OF THE CASE? 338698.61

PROFESSIONAL FEES INCURRED BY OR ON BEHALF OF THE RECEIVER RELATED TO RECEIVERSHIP DURING THIS REPORTING PERIOD? 169247.92

PROFESSIONAL FEES INCURRED BY OR ON BEHALF OF THE RECEIVER RELATED TO RECEIVERSHIP SINCE THE FILING OF THE CASE? 305798.61

As authorized by the Receiver Order, the Receiver engaged the law firm of Foley & Lardner LLP ("Foley") as his general counsel with respect to the execution of certain of his duties. The Receiver executed an engagement letter with Foley which was approved by the first mortgage holder BMO Harris Bank ("Bank"). The Receiver notes that Foley disclosed in the engagement letter that it represents the Bank in unrelated matters, and both the Receiver and the Bank waived any conflict. Foley also provided professional legal service to the Receiver in the month of October. Invoices received by the Receiver for September and October fees are reflected in this Report.

DEBTOR: **The Truland Group**CASE NO: **14-CV-1187****CASH RECEIPTS AND DISBURSEMENTS STATEMENT FORM SB-2**For Period: **10/01/14** to **10/31/14****CASH FLOW SUMMARY**

	<u>Current Month</u>	<u>Accumulated</u>
1. Beginning Cash Balance	\$ 421,723.25 (1)	\$ 0.00 (1)
2. Cash Receipts		
Auction Proceeds	42,556.75	42,556.75
Check Recovery	69,374.49	567,855.60
Asset Sale	16,405.00	16,405.00
Interest Income	2.53	4.19
Other	47.47	47.47
Total Cash Receipts	\$ 128,386.24	\$ 626,869.01
3. Cash Disbursements		
Operations	\$ 52,491.86	\$ 71,548.75
Legal Fees	32,900.00	32,900.00
Professional fees	77,574.36	77,574.36
Other - Landlord Settlements	12,500.00	12,500.00
Other - Insurance	108,000.00	108,000.00
Other - Bank Fees	197.76	305.76
Other - Returned Deposit Items	2,688.56	60,283.19
Total Cash Disbursements	\$ 286,352.54	\$ 363,112.06
4. Net Cash Flow (Total Cash Receipts less Total Cash Disbursements)	\$ (157,966.30)	\$ 263,756.95
5 Ending Cash Balance	\$ 263,756.95 (2)	\$ 263,756.95 (2)

CASH BALANCE SUMMARY See Note (A) below.**Book**Truland Receiver Operating Account **BBT X3536** \$ **263,756.95****TOTAL (must agree with Ending Cash Balance above)** \$ **263,756.95** (2)**Variance between Ending Cash Balance and Ending Book Balances:** **0.00**

(A) The term "cash" includes all forms of currency i.e., checks, cash, money orders, etc.

(1) Accumulated beginning cash balance is the cash available at the commencement of the case.
Current month beginning cash balance should equal the previous month's ending balance.

(2) All cash balances should be the same.

Accrual Basis

Raymond A. Yancey, Receiver for The Truland Group
Balance Sheet
As of October 31, 2014

	<u>Oct 31, 14</u>
ASSETS	
Current Assets	
Checking/Savings	
10010 · BB&T 3536	263,756.95
Total Checking/Savings	<u>263,756.95</u>
Accounts Receivable	
11000 · Accounts Receivable	780.00
Total Accounts Receivable	<u>780.00</u>
Total Current Assets	<u>264,536.95</u>
TOTAL ASSETS	<u>264,536.95 ****</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	234,252.26
Total Accounts Payable	<u>234,252.26</u>
Total Current Liabilities	<u>234,252.26</u>
Total Liabilities	234,252.26
Equity	
Net Income	30,284.69
Total Equity	<u>30,284.69</u>
TOTAL LIABILITIES & EQUITY	<u>264,536.95</u>

**** The Debtor's Schedules, filed with the Bankruptcy Court on October 17, 2014, sets forth certain Notes Receivable from unknown persons. The Receiver is researching the files to locate the individual Notes and will report further in the November monthly report. The total of these Notes, as reported by the Debtor, is \$723,796.00.

Recovery & Expenditure Statement

October 2014

	Oct 14	Sep 9 - Oct 31, 14
Ordinary Recovery/Expenditure		
Gross Recovery		
40010 · Truland Service Check Recovery	30,003.15	406,986.58
40020 · BK Check Recovery	1,739.40	33,234.40
40030 · Northside Check Recovery	14,546.00	52,004.52
40040 · Other Check Recovery	12,149.06	39,246.93
40050 · Truland Systems Check Recovery	10,936.88	36,383.17
40090 · Returned Checks	-2,688.56	-60,283.19
43000 · Interest Income	2.53	4.19
43990 · Other Recovery	47.47	47.47
44000 · Asset Sale	16,405.00	16,405.00
45000 · Auction Proceeds	42,556.75	42,556.75
Total Gross Recovery	<u>125,697.68</u>	<u>566,585.82</u>
 Gross Profit	 125,697.68	 566,585.82
 Expenditure		
60101 · Alarm Monitoring Expense	742.50	742.50
60150 · Moving & Vacating Expense	17,304.96	27,304.96
60160 · Casual Labor	2,200.00	2,200.00
60180 · Controller Expense	1,648.04	3,560.38
60250 · Asset Retrieval Expense	1,360.00	1,760.00
60400 · Bank Service Charges	197.76	305.76
62500 · Garbage Removal	3,729.05	3,729.05
63300 · Insurance Expense	108,000.00	108,000.00
64900 · Office Supplies	251.08	251.08
64910 · Locksmith Expense	0.00	1,115.00
64920 · Postage & Delivery Expense	0.00	191.50
66180 · Utah Materials Costs	1,527.04	1,527.04
66190 · Utah Personnel	15,420.00	15,420.00
66500 · Court Costs	275.00	275.00
66700 · Professional Fees	77,574.36	77,574.36
66720 · Utah Legal Fees	7,900.00	7,900.00
66790 · Legal Retainer Fees	25,000.00	25,000.00
67100 · Rent Expense	0.00	6,238.05
68600 · Utilities	2,362.73	2,362.73
69510 · Landlord Settlements	12,500.00	12,500.00
Total Expenditure	<u>277,992.52</u>	<u>297,957.41</u>
 Net Ordinary Recovery	 <u>-152,294.84</u>	 <u>268,628.41</u>
 Net Recovery	 <u><u>-152,294.84</u></u>	 <u><u>268,628.41</u></u>

Raymond A. Yancey, Receiver for The Truland Group
A/P Aging Summary
As of October 31, 2014

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
4601 Eisenhower Associates L...	0.00	-4,798.50	0.00	0.00	0.00	-4,798.50
DSPM	0.00	-72.96	0.00	0.00	0.00	-72.96
Erie Insurance Group	4,020.00	0.00	0.00	0.00	0.00	4,020.00
Foley & Lardner LLP	38,968.00	58,976.33	0.00	0.00	0.00	97,944.33
Patrick G. Sheats	1,040.00	800.00	0.00	0.00	0.00	1,840.00
R. A. Yancey and Associates, I...	0.00	130,279.92	0.00	0.00	0.00	130,279.92
Sharon Kay Dowell	3,171.69	0.00	0.00	0.00	0.00	3,171.69
VLP Law Group LLP	1,330.00	0.00	0.00	0.00	0.00	1,330.00
Washington Gas	537.78	0.00	0.00	0.00	0.00	537.78
TOTAL	<u>49,067.47</u>	<u>185,184.79</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>234,252.26</u>

Raymond A. Yancey, Receiver for The Truland Group
A/R Aging Summary
 As of October 31, 2014

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Klinette H. Kindred, Ch. 7 Tru...	0.00	600.00	180.00	0.00	0.00	780.00
TOTAL	0.00	600.00	180.00	0.00	0.00	780.00

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FL 10/31/14
3536

BB&T

860-26-01-00 10526 26 C 001 30 S 66 002
THE TRULAND GROUP INC
RAYMOND A YANCEY RECEIVER
1412 COLVILLE CT
ST AUGUSTINE FL 32095 - 8440

Your account statement

For 10/31/2014

Contact us



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■ COMMERCIAL INTEREST CHECKING 3536

Account summary

Your previous balance as of 09/30/2014	\$440,780.14
Checks	- 291,670.27
Other withdrawals, debits and service charges	- 4,737.40
Deposits, credits and interest	+ 128,586.24
Your new balance as of 10/31/2014	= \$272,958.71

Interest summary

Interest paid this statement period	\$2.53
2014 interest paid year-to-date	\$4.19
Interest rate	0.01%

Checks

DATE	CHECK #	AMOUNT(\$)
10/07	20001	6,238.05
10/02	20002	10,000.00
10/01	20003	191.50
10/03	20004	315.00

DATE	CHECK #	AMOUNT(\$)
10/01	20005	800.00
10/07	20006	1,912.34
10/06	20007	400.00
10/07	20008	12,500.00

DATE	CHECK #	AMOUNT(\$)
10/06	* 20010	2,400.00
10/14	20011	7,720.00
10/16	20012	3,900.00
10/16	20013	3,800.00

continued

■ COMMERCIAL INTEREST CHECKING

3536 (continued)

DATE	CHECK #	AMOUNT(\$)
10/15	*20021	1,840.00
10/27	20022	746.28
10/09	20023	77,574.36
10/16	*20025	2,362.73
10/15	20026	1,360.00

DATE	CHECK #	AMOUNT(\$)
10/17	20027	12,859.48
10/16	20028	108,000.00
10/23	20029	1,002.05
10/24	20030	742.50
10/31	20031	405.48

DATE	CHECK #	AMOUNT(\$)
10/27	20032	1,800.00
10/28	20033	25,000.00
10/31	20034	4,798.50
10/29	20035	3,002.00

* indicates a skip in sequential check numbers above this item

Total checks = \$291,670.27

Other withdrawals, debits and service charges

DATE	DESCRIPTION	AMOUNT(\$)
10/10	OUTGOING WIRE TRANSFER WIRE REF# 20141010-00009355	1,600.00
10/15	ADJUSTMENT ADJUSTMENT CASE# 0001836159001 18361591	229.56
10/15	ADJUSTMENT ADJUSTMENT CASE# 0001839475001 18394751	2,459.00
10/21	SERVICE CHARGES - PRIOR PERIOD	197.76
10/29	ACH CORP DEBIT SAFEGUARD SAFEGUARD BUSINE THE TRULAND *GROUP	251.08

Total other withdrawals, debits and service charges = \$4,737.40

Deposits, credits and interest

DATE	DESCRIPTION	AMOUNT(\$)
10/01	DEPOSIT CORRECTION	1,800.00
10/01	COUNTER DEPOSIT	47,424.46
10/06	COUNTER DEPOSIT	1,422.22
10/08	COUNTER DEPOSIT	12,000.21
10/16	COUNTER DEPOSIT	2,598.98
10/29	COUNTER DEPOSIT	25.47
10/29	COUNTER DEPOSIT	247.00
10/29	COUNTER DEPOSIT	20,508.62
10/30	COUNTER DEPOSIT	42,556.75
10/31	INTEREST PAYMENT	2.53

Total deposits, credits and interest = \$128,586.24

CERTIFICATE OF SERVICE

I hereby certify that on November 20, 2014, I electronically filed the foregoing **MONTHLY OPERATING REPORT FOR OCTOBER 2014** with the Clerk of Court using the CM/ECF system, which will then send a notification of such filing (NEF) to all counsel of record.

/s/ Erika L. Morabito

Erika L. Morabito (VA Bar No. 44369)

Foley & Lardner, LLP

3000 K Street, NW, Suite 600

Washington, DC 20007-5109

Phone: 202-672-5300

Fax: 202-672-5399

Attorney for Receiver Raymond A. Yancey